AGENDA TITLE:

Adopt resolution authorizing the City Manager to amend the existing electric

utility rate contract between the City of Lodi and Constellation Wines

(formerly the Robert Mondavi Corporation) for the electric fork lift charging

station pilot project (EUD)

**MEETING DATE:** 

August 17, 2005

PREPARED BY:

**Electric Utility Director** 

RECOMMENDED ACTION:

Adopt a resolution authorizing the City Manager to amend the existing electric utility rate contract between the City of Lodi and Constellation Wines (formerly the Robert Mondavi Corporation) for the electric fork lift charging station pilot project.

BACKGROUND INFORMATION:

In December of 2004, the Lodi City Council approved an electric utility rate contract between the City of Lodi and the Robert Mondavi Corporation. The utility rate contract provides this customer with an

incentive to charge their fleet of electric, battery-operated fork lifts after normal business hours. The contract was developed to encourage major customers to purchase and utilize clean-burning, highly efficient battery-operated forklifts in various Lodi plant operations.

Electric Utility staff is requesting to amend the original contract to reflect the following:

- remove the customer name 'Robert Mondavi Corporation,' and replace with the name "Constellation Wines;" the Robert Mondavi Corporation consolidated operations with Constellation Wines earlier this year;
- amend the original contract life of January 1, 2005 to December 31, 2007, <u>to</u> September 1, 2005 to August 30, 2008- a three year contract; due to unforeseen circumstances, the required electric utility meter for this special project was not delivered by the manufacturer to the City of Lodi Electric Utility Department until late July of this year (the meter allows the utility to read electric usage data via telephone line communications, and download the data into a computer program for billing purposes).

The customer will still receive the benefits of the reduced electric utility energy charge for "charging" their electric forklifts after normal business hours. In this particular case, the incentive electric utility rate is \$0.0685 per kilowatt-hour of energy consumed between the hours of 9:30pm and 8:30am, Monday through Friday, weekends and holidays included. For all other time periods, the published G-4 electric utility rate will apply.

Electric Utility respectfully requests approval of the aforementioned amendments to this electric utility rate contract.

APPROVED: Blair King City Manager

Adopt resolution authorizing the City Manager to amend the existing electric utility rate contract between the City of Lodi and Constellation Wines (formerly the Robert Mondavi Corporation) for the electric fork lift charging station pilot project (EUD)
August 17, 2005
Page 2 of 2

FISCAL IMPACT:

The fiscal impact, or revenue loss, to the City of Lodi, is approximately

\$500 per month. Electric Utility staff will have a more exact revenue impact number after the new electric utility meter has collected energy usage data

over the ensuing sixty to ninety days.

**FUNDING AVAILABLE:** 

Not applicable.

Alan N. Vallow

**Electric Utility Director** 

Prepared By:

Rob Lechner, Manager, Customer Service and Programs

ANV/RL/lst

c: City Attorney

## RESOLUTION NO. 2005-169

A RESOLUTION OF THE LODI CITY COUNCIL AUTHORIZING THE CITY MANAGER TO AMEND THE EXISTING ELECTRIC UTILITY RATE CONTRACT BETWEEN THE CITY OF LODI AND CONSTELLATION WINES (FORMERLY THE ROBERT MONDAVI CORPORATION) FOR THE ELECTRIC FORKLIFT CHARGING STATION PILOT PROJECT

WHEREAS, in December of 2004, the Lodi City Council approved an electric utility rate contract between the City of Lodi and the Robert Mondavi Corporation; and

WHEREAS, the utility rate contract provides this customer with an incentive to charge its fleet of electric, battery-operated fork lifts *after* normal business hours. The contract was developed to encourage major customers to purchase and utilize clean-burning, highly efficient, battery-operated forklifts in various Lodi plant operations; and

WHEREAS, staff requests an amendment to the original contract to reflect the following:

- 1) remove the customer name "Robert Mondavi Corporation," and replace with the name "Constellation Wines"; the Robert Mondavi Corporation consolidated operations with Constellation Wines earlier this year; and
- 2) amend the original contract life of January 1, 2005 to December 31, 2007, <u>to September 1, 2005</u> to August 30, 2008, a three-year contract; due to unforeseen circumstances, the required electric utility meter for this special project was not delivered by the manufacturer to the City of Lodi Electric Utility Department until late July of this year (the meter allows the utility to read electric usage data via telephone line communications and download the data into a computer program for billing purposes).

NOW, THERFORE, BE IT RESOLVED that the Lodi City Council hereby authorizes the City Manager to execute an Amendment to the Electric Utility Rate Contract between the City of Lodi and Constellation Wines (formerly Robert Mondavi Corporation) for the electric forklift charging station pilot project.

Dated: August 17, 2005

I hereby certify that Resolution No. 2005-169 was passed and adopted by the Lodi City Council in a regular meeting held August 17, 2005, by the following vote:

AYES:

COUNCIL MEMBERS - Hansen, Hitchcock, Johnson, Mounce, and

Mayor Beckman

NOES:

COUNCIL MEMBERS - None

ABSENT:

COUNCIL MEMBERS - None

ABSTAIN:

COUNCIL MEMBERS - None

SUSAN J. BLACKSTON

Black

City Clerk